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Who Drives Employee Engagement — Manager or CEO?

by Jim Harter

A recent [*Wall Street Journal* article](#) explored a unique situation at Twitter. The eminent tech company's analysis of its internal data, conducted by Twitter's "people scientists," indicated that "Instead of managers being the primary driver of engagement, our CEO was the primary driver of engagement." To what extent is this the case for organizations in general?

VARIANCE IN EMPLOYEE ENGAGEMENT
EXPLAINED BY INFLUENCE OF MANAGERS

70%

GALLUP RESEARCH

Based on an accumulation of studies reported on in the mid-1990s, Gallup findings revealed the primary determinant of an engaging and high-performing workplace is the manager. Wide variation in most organizations occurs across teams and business units. People leave managers more than companies. More recently, Gallup has reported that as much as 70% of the variance in the employee engagement of teams can be traced back to the influence of the manager -- through the manager's engagement, behaviors as observed by team members and the natural wiring of managers.

But these findings don't mean that managers are the sole determinant of engagement. Each employee can play a role in his or her engagement by choosing to use his or her individual strengths every day. And unless individuals assume some ownership for their engagement, the efforts of the best managers may have limited utility. In environments where managers are miscast in their roles, the individual has to take ownership.

It is possible that the findings from Twitter speak to a unique phenomenon in the company's culture. But it is also possible that the findings from Twitter were influenced by how their survey defined "engagement." That is, if the survey defined engagement based on perceptions of the overall

organization, then there is likely a strong association between perceptions of the CEO and perceptions of the overall company. Gallup's definition of engagement includes 12 performance management elements such as clarity of expectations, having the opportunity to do what one does best, someone who encourages one's development and having one's opinions count.

In a study of 190 organizations, Gallup has found that executive leaders influence front-line employee engagement indirectly and directly. Primarily indirectly through their influence on the people they directly manage, and directly through specific performance management elements, including clear expectations, discussions of progress and a mission or purpose that people can identify with.

The Gallup findings indicate that when executive teams are highly engaged, the organization's managers are 39% more likely to be engaged. When managers are highly engaged, employees are 59% more likely to be engaged. As such, at each level in the organization, the local manager or leader has the ultimate influence over how to communicate expectations, whether employees have a chance to do what they do best, whether individuals have opportunities to develop and whether people are able to see how their work connects with the organization's overall mission or purpose.

Gallup has learned from the most highly engaged organizations that strategy and leadership have a significant influence on engagement. Employees need to know how engagement elements fit into the organization's objectives. Employee engagement is not an isolated activity. In best-practice organizations, engagement is embedded in the weekly performance management of each team and initiated and disseminated from executive leadership. But the day-to-day "engaging" is primarily filtered through the local manager or the ultimate person responsible for coaching each team member's performance and development.

Engaging 4,000 people at once seems impossible because high engagement necessitates ongoing feedback. No CEO can meet with that many employees on a continual basis, and so employees need to feel the CEO's influence through indirect channels and, in part, through clarity of objectives, a clear mission or purpose and regular feedback.

Multiple constituencies, including the CEO, other executive members and the individual employee, influence workplace engagement. But according to Gallup research, the primary influence comes from the weekly -- and even daily -- tone that the manager sets.

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